

ALCOHOL AND MARIJUANA CONTROL OFFICE

550 W 7TH AVENUE, STE 1600 Anchorage, AK 99501 Main: 907.269.0350

To: Marijuana Control Board

Date: December 3, 2025

From: Kevin Richard, Director

RE: Director's Report

• Introduction

• This report summarizes the activities of the Alcohol and Marijuana Control Office (AMCO) from the last board meetings held in September 2025.

• Discussion Topics

o AO 360

- Administrative Order 360 was issued on August 4th, 2025. This order rescinded and replaced AO 157 and AO 266. There are multiple goals and outcomes associated with this AO, culminating in a reduction of the number of regulatory requirements by 15% by December 31, 2026, and 25% (cumulative) by December 31, 2027.
- Initial efforts by AMCO staff have identified approximately 3,220 regulatory requirements in 3 AAC 306. 360 of these are statutorily required and 2,680 are considered discretionary.

Licensing

 Regina Cruz will update you on the progress that has been made since the September 2025 board meetings.

Enforcement

• Investigator Joe Bankowski will update you on the activities of the AMCO Enforcement Unit since the September board meetings. There are currently three vacancies in the Enforcement Unit. Recruitment is approved for two of these positions.

Administrative

• The AMCO Administrative Unit has a vacancy for an Administrative Assistant II position. The recruitment waiver has been submitted and approved. There is a vacancy for a Regulatory Specialist 2 that is pending a recruitment waiver.

Legislative Review

- Currently, AMCO is monitoring the following bills in preparation for the upcoming legislative session:
 - **HB 81**: Marijuana: Tax/Retail Stores/Registration
 - o Sponsored By: Representative Nelson
 - o Current Status: (H)FIN
 - **HB 91**: Marijuana: Tax/Registration; Income Tax
 - o Sponsored By: Representative Carrick



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- o Current Status: (H)FIN
- **HB 94**: Marijuana: Tax/Registration; Income Tax
 - Sponsored By: Representative Tomaszewski
 - o Current Status: (H)L&C
- SB 73: Marijuana: Tax/Registration; Income Tax
 - Sponsored By: Senator Claman
 - o Current Status: (S)FIN
 - o Letter of Support from MCB on 2/10/2025
- Topics to be Considered
 - AMCO Budget Report
 - A budget report is required for the ABC Board per AS 04.06.075, and AMCO is providing a comparable budget report for the MCB.
 - o Regulations Projects
 - AO 360 has become the framework for regulatory work for the time being.
 AMCO has held the first of two stakeholder meetings, with the second to be held Dec. 9th.
 - DOR and Taxation
 - AMCO had a meeting with DOR to discuss the reporting of delinquent taxes and the misreporting of taxes. This conversation is ongoing. In support of this matter, AMCO has worked with METRC on developing reports to better track industry-wide data.
 - Working Group
 - AMCO is preparing to set Laboratory Testing Working Group sessions for January 2026. If any licensees are interested in participating, please e-mail kevin.richard@alaska.gov by Dec. 12th.
 - Consideration of an Advisory Notice RE: Total THC Reporting by Marijuana Testing Facilities
 - Memo provided.
- Next Board Meeting

 The next Alcoholic Beverage Control Board meeting is scheduled for February 4th in Juneau, AK. If required, a special meeting may be scheduled at the discretion of the Chair.

Kevin Richard

Director

Alcohol & Marijuana Control Office

kevin.richard@alaska.gov



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To: Marijuana Control Board From: Kevin Richard, Director

RE: Annual Budget Report Required

AS 04.06.075(c)

Under AS 04.06.075(c) "The director shall prepare and submit to the board an annual budget for the board that includes funding for administration, enforcement, education, training, and prevention activities under this title."

Current FY26 Expenditure and Revenue Projections for the Marijuana component of AMCO are:

Revenues

Total	\$2,055,550
General Funds are to offset SB55 PERS actuarial rate changes	
General Funds	\$19,150
Program Receipts	\$2,036,400

Program Receipts

Personal Services (Employees)	\$1,310,150
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Travel	\$105,400
Inter-Agency Services	\$592,150
Commodities	\$47,850
Total Administration	\$2,055,550

Enforcement

Personal Services	\$510,462
Travel	\$39,335
Total	\$549,797

Sincerely,

Kevin Richard

Director



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December 3, 2025

To: Marijuana Control Board From: Kevin Richard, Director

RE: Advisory Notice on Total THC Calculations

Marijuana Control Board Members,

It has been brought to the attention of AMCO and the Environmental Health Laboratory that there is inconsistency in the reporting of Total THC in licensed marijuana testing facilities. Under 3 AAC 306.990(b)(48) "total THC" is defined as the sum of THC and (0.877)*(THCA).

Based on references to "THC" elsewhere in regulation such as 3 AAC 306.990(b)(28), 3 AAC 306.56(1), and 3 AAC 306.560(2) AMCO and EHL agree that the regulatory intent was for "THC" to be analytically defined as delta-9 THC. This was supported by discussions in the Cannabis Testing Lab User Group.

It is recommended that these regulations be amended through the AO 360 project. While there are no obvious public health impacts, it may provide an unfair market imbalance. Testing facilities that include delta-8, delta-10, or other cannabinoids in their Total THC calculation currently hold a competitive advantage. This practice also skews data-based decisions throughout the industry. Clarifying the definition of THC will close this existing regulatory gap and level the playing field.

AMCO will be providing EHL's proposed edits to current regulations as part of the AO 360 project.

In the interim, AMCO requests approval of the attached Advisory Notice, to be distributed immediately after the December 2025 board meetings.

Sincerely,

Kevin Richard

Director



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ALCOHOL AND MARIJUANA CONTROL OFFICE ADVISORY NOTICE:

Laboratory Reporting Requirements for Total THC by Marijuana Testing Facilities

Regulations:

- 3 AAC 306.990(b)(48) "total THC" means the sum of THC and (0.877)*(THCA).
- 3 AAC 306.645(b)(1)(B)(i) for a potency test on marijuana and marijuana concentrate, the marijuana testing facility shall list for each required cannabinoid a single percentage concentration, based on dry weight, that represents an average of all samples within the test batch; additionally, total THC and total CBD shall be reported;

Advisory

The Alcohol and Marijuana Control Office has been made aware that licensed marijuana testing facilities are not using uniform calculations of "Total THC" in their testing methodologies. Total THC is defined in regulation as the sum of THC and (0.877)*(THCA). THC is defined in regulation as tetrahydrocannabinol, the main psychoactive substance found in marijuana. There are cannabinoids such as Delta-8, Delta-10, and others. It is the opinion of the Marijuana Control Board that the intent when drafting regulation was for THC to be defined as Delta-9 THC for the purposes of reporting Total THC.

Effective immediately, marijuana testing facilities are to report "total THC" as Delta-9 THC and (0.877)*(THCA) and are not to include other cannabinoids in the "total THC" calculation such as Delta-8, Delta-10, or others. This serves to provide consistent reporting across all licensed marijuana testing facilities and remove the ambiguity of the "total THC" definition.

Further, the Alcohol and Marijuana Control Office will request that the Environmental Health Laboratory ensure consistent reporting requirements across licensed cannabis testing laboratories and direct marijuana testing facilities to align their Total THC calculations with regulatory intent.

For inquiries, please e-mail marijuana.licensing@alaska.gov.

Kevin Richard

Director, AMCO